

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG ELECTRIC LOGS FILE ☒ WATER SANDS LOCATION INSPECTED SUB. REPORT/abd.

990311 LAD 2-24-99!

DATE FILED AUGUST 12, 1998

LAND: FEE & PATENTED

STATE LEASE NO.

PUBLIC LEASE NO.

UTU-71390

INDIAN

DRILLING APPROVED: SEPTEMBER 15, 1998

SPUDDED IN:

COMPLETED: PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR.

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED:

2-24-99 LAD

FIELD:

UNDESIGNATED

UNIT:

COUNTY:

CARBON

WELL NO.

ALKER 1-22

API NO. 43-007-30466

LOCATION

1672 FSL

FT. FROM (N) (S) LINE,

770 FWL

FT. FROM (E) (W) LINE.

NW SW

1/4 - 1/4 SEC.

22

TWP.

RGE.

SEC.

OPERATOR

TWP.

RGE.

SEC.

OPERATOR

15S

9E

22

F. L. ENERGY CORP.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

F.L. Energy Corp (801) 487-0744

3. ADDRESS AND TELEPHONE NO.

2020 E 3300^s Suite 26, SLC UT 84109

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

1672' 1320' FSL 1320' FWL Sec 22 T15S R9E
At proposed prod. zone 770' SW S.W.
Same NW

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

6 mi So of Price

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any) 1320'

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED
TO THIS WELL

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1 1/4 mi

19. PROPOSED DEPTH

2,500'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6077'

22. APPROX. DATE WORK WILL START*

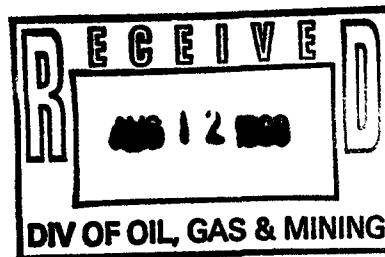
30 days after APD

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8 5/8"	24#	120'	Circ To Surface
7 7/8"	5 1/2"	15.5#	T.D. 2500'	250 sx CI H Cement

This well is proposed to test the Ferron SS, and coal seams
A Dual Ram 3000 psi BOP and rotating Head will be used.
no cuts or fills will be required for this location as the
area is very flat.



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. 820 W Old Hwy Rd, morgan UT 84050 801 829 0670

SIGNED

Jim Hennigway

TITLE

agent

DATE

4-28-98

(This space for Federal or State office use)

PERMIT NO.

43-007-30466

APPROVAL DATE

Application approval does not warrant Federal Approval of this legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

Federal Approval of this
Action is Necessary

BRADLEY G. HILL
RECLAMATION SPECIALIST III

APPROVED BY

Bradley G. Hill

TITLE

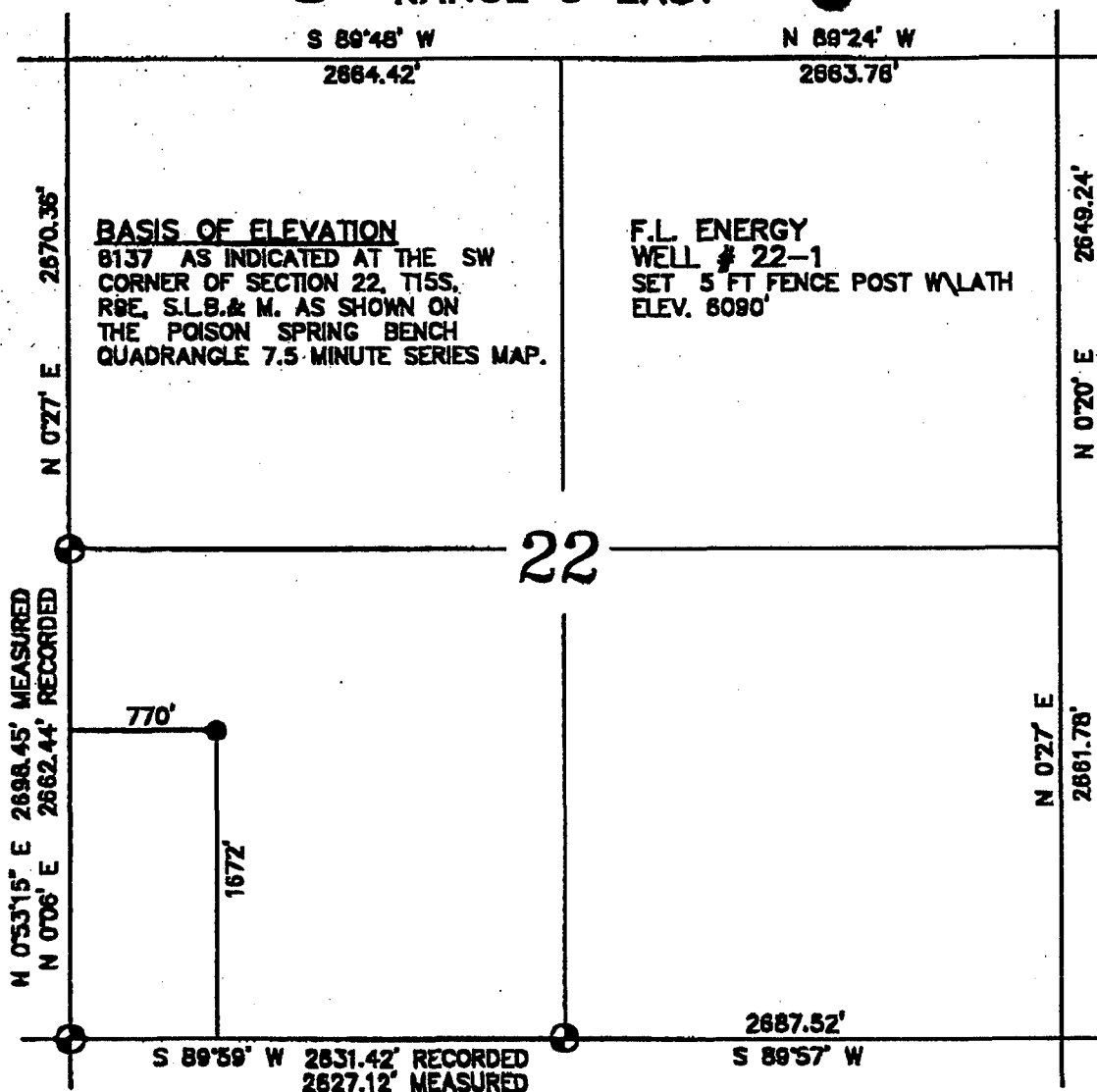
DATE

9/15/98

*See Instructions On Reverse Side

RANGE 9 EAST

TOWNSHIP 15 SOUTH



ENGINEER'S CERTIFICATE

I, EVAN E. HANSEN, DO HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR AND PROFESSIONAL ENGINEER HOLDING CERTIFICATE NO. 145858 AS PRESCRIBED UNDER THE LAWS OF THE STATE OF UTAH. I FURTHER CERTIFY THAT I HAVE MADE A SURVEY OF THE TRACT OF GROUND SHOWN AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

Evan E. Hansen
EVAN E. HANSEN

MAY 20, 1998
DATE
Revised Date 5-20-88

SW1/4 SEC. 22, T 15 S, R 9 E, S.L.B. & M.

Empire Engineering

1665 E. Sagewood Rd. Price, Utah 84501

H. ALKER
WELL # 22-1

Drawn By:
RH

Approved By:
EEH

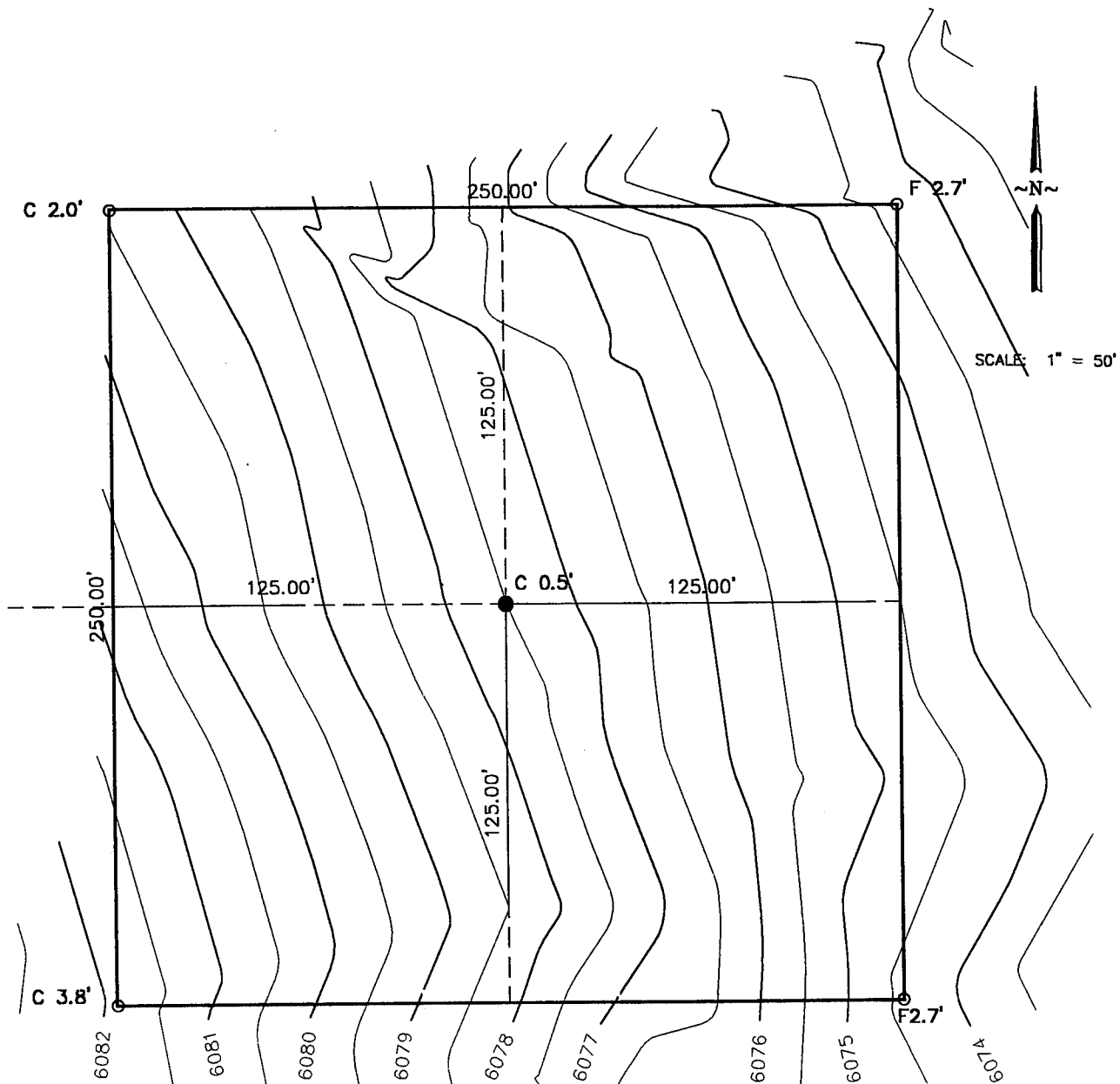
Drawing No.

EEOG-97-32

Date:
8-03-97

Scale:
1"=1000'

SHEET 1 OF 2



○ INDICATES 1"x2"x24" WOOD STAKE

SW1/4 SEC. 22, T 15 S, R 9 E, S.L.B. & M.

Empire Engineering

1665 E. Sagewood Rd. Price, Utah 84501

H. ALKER
WELL # 22-1

Drawn By:
THK

Approved By:
EEH

Drawing No.

Date:
9-03-97

Scale:
1"=50'

EEOG-97-32

SHEET 2 OF 2

Supplement To Form 3160-3

- 1- The surface material is Weathered Mancos Shale mixed with fine-grained aeolian silt-stone. Some of the cliff exposures include the Upper Ferron Sandstone.
- 2- The estimated tops of important and recognizable geologic markers are:

Mancos Shale	Surface
Lower Ferron	2350'
Tununk Shale	2460'
- 3- The estimated depth at which important water, oil and gas is expected to be encountered are:

Lower Ferron Sand	2350'	Gas and/or Oil
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There are no water sands expected to be encountered while drilling this well. The Tununk shale will be penetrated 40 ft.
- 4- The casing program as previously indicated will consist of 120 feet of 8 5/8 inch, #40 surface casing and 2500 feet of 5 1/2, 15.5 lb/ft production casing. The surface casing will be set and cement will be circulated to surface. The 5 1/2" production casing will be cemented with 250 sacks of cement. This is a calculated 30% excess amount of cement necessary to cement the entire string to ~~surface~~ 500' above Ferron ss
- 5- The schematic diagram of the B.O.P. is attached. The 3,000 psig working configuration will be used. Also, dependent upon the height from ground level to the return flow, a hydril or equivalent type of B.O.P. will be utilized as the top piece of the B.O.P stack.
- 6- It is planned to drill this well using air as the circulating medium. The only water anticipated to be used will be that employed in cementing the casing.
- 7- The auxilliary equipment to be used will be that applicable to prudent air drilling practices. The blooie line will be terminated at a minimum distance of 150 feet from the rig. A relatively small blooie pit will be utilized. A Deduster and igniter will be used
- 8- It is planned to utilize open-hole logs in this well. They will consist of a gamma ray, compensated neutron formation density log, as well as a compensated sonic log and fracture detection log.
- 9- It is not anticipated that H₂S, abnormal pressures or high temperatures will be encountered in drilling this well. Bottom hole pressure gradient .35
- 10- It is expected to commence operations immediately upon permit approval. The estimated time to drill this well will be five (5) days.

WELL CONTROL EQUIPMENT

1. Surface Casing

- A. Hole size for the surface casing will be 11 inches.
- B. Setting depth for the surface casing will be approximately 120 feet.
- C. Casing specifications are $8\frac{5}{8}$ inches o.d; 8 Rd thread, Condition "A".
- D. Anticipated pressure at setting depth is approximately 40 psig.
- E. Casing will be run and cement will continue to be mixed until returns are evident at surface.
- F. Top of the surface casing will be at ground level.

2. Casing Head

- A. The flange size will be 6" series 3000 new equipped with 2 inch ports with nipples and 2" 3000 lb. working pressure valves. Casing head and valves will be set above ground.

3. Intermediate Casing

- A. None

4. Blowout Preventers

- A. Double Ram, hydraulically operated, one set of pipe ram for 2 7/8" drill pipe, and one set of blind rams. They will be equipped with a mechanical closing device for back-up service. A Hydril or similiar type is planned to be used as the top piece of the B.O.P. stack.

5. Auxilliary Equipment

- A. All that is standard for safe and prudent air drillind operations.

6. Anticipated Pressures

- A. The anticipated pressure that is expected to be encountered will be approximately 875 psig. .35 Gradient

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

1. EXISTING ROADS -- for the location of the proposed well and the existing roads, see the attached topographic map.

- A. The proposed well is located in the $SW\frac{1}{4}$ $SW\frac{1}{4}$, Section 22, T15S R9E, SLBM,
- B. The proposed well is approximately 6 miles south of Price, Utah, along State Highway 122 thence East. A request will be made of the Utah Department of Transportation for an access way off the State Highway. access is existing
- C. The proposed route is color coded in blue on the topographic map, from Price, Utah, to the well site.
- D. Not applicable.
- E. This is a proposed development location, and the only existing road within a 1-mile radius of the well site is State Highway 122.
- F. There are no plans for the improvement or maintenance of the existing road (Utah State Highway) other than the normal maintenance of the road as provided by the Utah Department of Transportation.

2. PLANNED ACCESS ROADS

A planned access road ^{Existing From} will originate on Utah State Highway 122, and will proceed East for a distance of $\frac{1}{3}$ mile. The access road will originate on Mancos Shale, and will be very lightly graded during the drilling of this well. If the well is productive, the road will be contoured, sloped, and ditched. If, in the event a dry hole occurs, water bars will be made and the road restored to, as closely as possible, original conditions.

- (1) The width of the proposed access road will be 16 feet.
- (2) The grade of this access road will vary from flat to 8%, and will not exceed this amount. The road will be constructed from native borrow accumulated during construction.
- (3) No turnouts are planned for this access road at this time, since none should be necessary.
- (4) No drainage design is required for the planned access road in this developmental stage of the project.
- (5) No culverts are planned in this development stage. No major cuts or fills are necessary for building the proposed access road.
- (6) The surfacing material shall be the native borrow material. No other material for construction is anticipated.

2. PLANNED ACCESS ROADS, cont.

- (7) No gates, cattleguards, or fence cuts are necessary in the building of this access road.
- (8) The road is presently not flagged, and not paved.

3. LOCATION OF EXISTING WELLS

The well location plat for Carbon County indicates the existing wells in the immediate area of the proposed well site. The indicated wells are believed to be no longer productive. There are no other known wells, either productive, abandoned, or dry, than is shown on the attached plat.

- (1) Water wells -- None
- (2) Abandoned wells -- None
- (3) Temporarily abandoned wells -- None
- (4) Disposal wells -- None
- (5) Drilling wells -- None
- (6) Producing wells -- None
- (7) Shut-in wells -- one
- (8) Injection wells -- None
- (9) Monitoring or observation wells for other resources -- None

4. LOCATION OF EXISTING AND PROPOSED FACILITIES

- A. There are no existing production facilities located within one mile of the proposed well, which are owned or controlled by the lessee/operator.

- (1) Tank batteries -- None
- (2) Production facilities -- None
- (3) Oil gathering lines -- None
- (4) Gas gathering lines -- None
- (5) Injection lines -- None
- (6) Disposal lines -- None

- B. There are two diagrams attached. One indicates the location of production equipment in the event the well is oil productive. The second diagram indicates the production equipment for a gas well. All lines will be coated and wrapped and buried. The land usage

4. LOCATION OF EXISTING AND PROPOSED FACILITIES, cont.

for this equipment will be held to an absolute minimum.

- (1) See Drilling Rig Layout for the pad layout.
 - (2) See Drilling Rig Layout for the dimensions of the facility.
 - (3) Construction materials will be native borrow or cut exposed on the site.
 - (4) Fences at the pits, wellhead, etc., will be constructed as protective measures and devices to protect livestock and wildlife.
- C. After operations cease, and provided surface disturbances have occurred, the surface will be leveled and sloped to pre-existing conditions. Recommendations for reseeding will be taken from BLM guidelines.

5. LOCATION AND TYPE OF WATER SUPPLY

- A. The water usage at this well site will be very minimal. The water required will be obtained from Price City, from the water rights of one of the ranches in the immediate area. There are no present plans for using saline water except for a 3% KCl solution that will be used during completion operations.
- B. The water will be transported from Price by truck on existing roads, and the planned access road. No pipeline is needed.
- C. No water well will be drilled on the site.

6. SOURCE OF CONSTRUCTION MATERIALS

- A. All construction materials for this location site and access road shall be native borrow rock and soil accumulated during the construction. No additional road gravel or pit lining materials are anticipated at this time. The loose weathered shale shall be pushed aside and saved. Redistribution of this material shall occur on the drilling site immediately following cessation of completion operations. Reuse of this weathered shale shall be done as requested by the jurisdictional BLM office.
- B. Items described in 6A. above are from Federal lands or private surface.
- C. The materials are to be obtained and used as described in 6A. above. If any other materials are needed, the appropriate actions will be taken to acquire them from private sources after notification has been given to the proper regulatory agencies.
- D. No other access roads are required other than described in Section 2 above.

7. METHODS FOR HANDLING WASTE DISPOSAL

- (1) Cuttings -- A small reserve pit (20' x 75') will be used as a bloolie line collection pit, and will be used for cuttings.
- (2) Drilling fluids -- A small reserve pit will be used to contain and dispose of drilling fluids.
- (3) Produced fluids (oil, water) -- The reserve pit will also be used to contain and dispose of any produced fluids, and any excess water that might be used. Also see 7 (3) a
- (4) Sewage -- A sanitary ~~hole will be constructed~~ ^{portable unit will be used} on the site to contain and dispose of any sewage.
- (5) Garbage and other waste material -- Covered trash cages will be constructed, and all trash collected will be picked up and hauled away.
- (6) The reserve pit will be folded in and recontoured as soon as possible following the completion of operations. The sanitary hole will also be treated in this manner. Both areas will be reseeded. The covered trash cages will be removed.

8. ANCILLARY FACILITIES

One motor home (self-contained) and one dog house will be used on location. No additional ground or facilities will be used for this equipment. There are no plans for an airstrip. For emergency facilities, Carbon County Airport will be used.

9. WELL SITE LAYOUT

The plan for the layout of the drilling equipment is indicated in the schematic Diagram for the Drilling Rig Layout. There may be slight additions or deletions that may occur if the drilling contractor decides to add or delete from the anticipated facilities. The plat indicates the following:

- (1) Cross sections of the pad, showing details of the cuts and fills. As this location is relatively flat, a minimum amount of cut and fill will be needed.
- (2) Location of the mud tanks, reserve, burn and trash cages, pipe racks, living facilities, and soil material stockpiles.
- (3) Rig orientation, parking areas, and access roads.
- (4) All pits in the development stage of the project will be unlined. As indicated in the separate production facilities plats for gas or oil, the fluid pits would be lined.

7. (3) a

F.L. Energy Corp.
2020 East 3300 So.
Suite 26
S.L.C. UT. 84109

Produced Water Use Intentions

Well / APD **Alker 1-22**

Lease

Surface discharge.
Contract disposal.
Use disposal well.
Mechanical filtration.
Bio Filtration.
Process water for beneficial use.

10. PLANS FOR RESTORATION OF SURFACE

- (1) After drilling operations have been concluded and equipment removed, the well site areas will be cleaned, leveled, reseeded, and restored to blend with the surrounding topography. The pits will be covered, and all trash will be removed.
- (2) Reseeding will be done at the direction of the BLM. The F-L Energy Company has on record a \$25,000.00 Statewide Federal Bond.
- (3) All pits will be fenced prior to disposal of any waste material, and the open side of the reserve pit will be fenced before removing the rig from the location. The fences will be maintained in good condition until the restoration of the surface has commenced.
- (4) Any oil or condensate on any temporary pit will be removed in a timely manner. Overhead flagging or netting will be installed on any sump pit used to handle well fluids during the producing life of the well.
- (5) Restoration activities shall begin within 90 days after the completion of the well. Once restoration activities have begun, they shall be completed within 60 days.

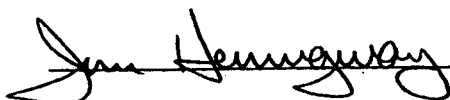
11. OTHER INFORMATION

- (1) Land description: The area is fairly flat, but is also in near proximity to several rolling hills to the south. The Wasatch Plateau is to the west, and the San Rafael Swell lies to the east.
- (2) There are no other surface-use activities and surface ownership of the involved lands.
- (3) There are no water, occupied dwellings, archeological, historical, or cultural sites in the proximity of the well site. The only structure of interest within 3 miles of the site is Utah State Highway 10.

12. LESSEE'S OR OPERATOR'S REPRESENTATIVE

The F-L Energy Company is the designated Operator of the lease. The Operator's supervisor will be:

Jim Hemingway
820 w. Old highway rd.
Morgan, UT. 84050
(801) 829-0670



13. CERTIFICATION

I hereby certify that I or persons under my direct supervision, have inspected the proposed drill-site and proposed access road; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by the F-L Energy Company and its contractors and subcontractors in conformity with this plan the terms and conditions under which it is approved.

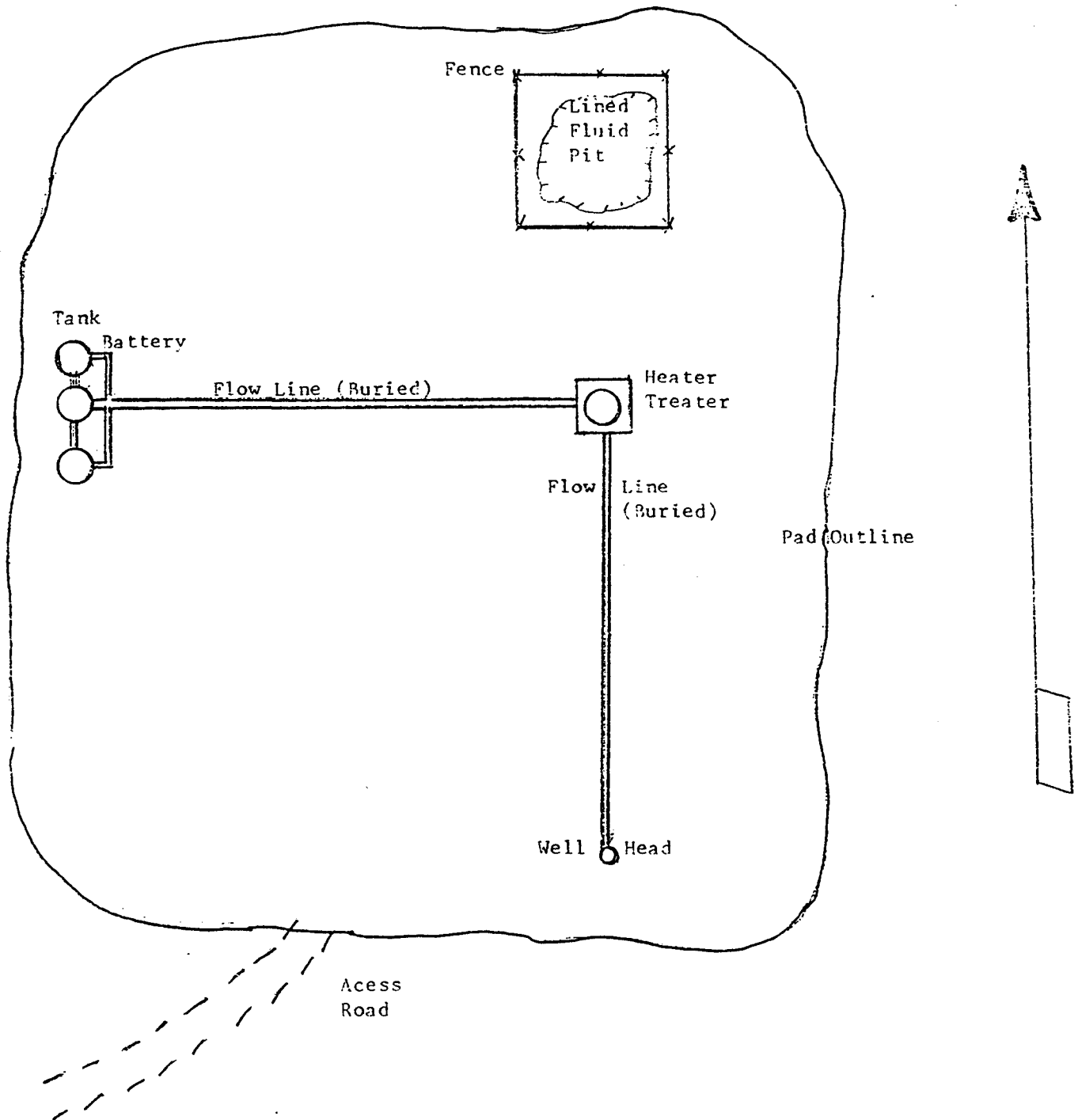
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Date



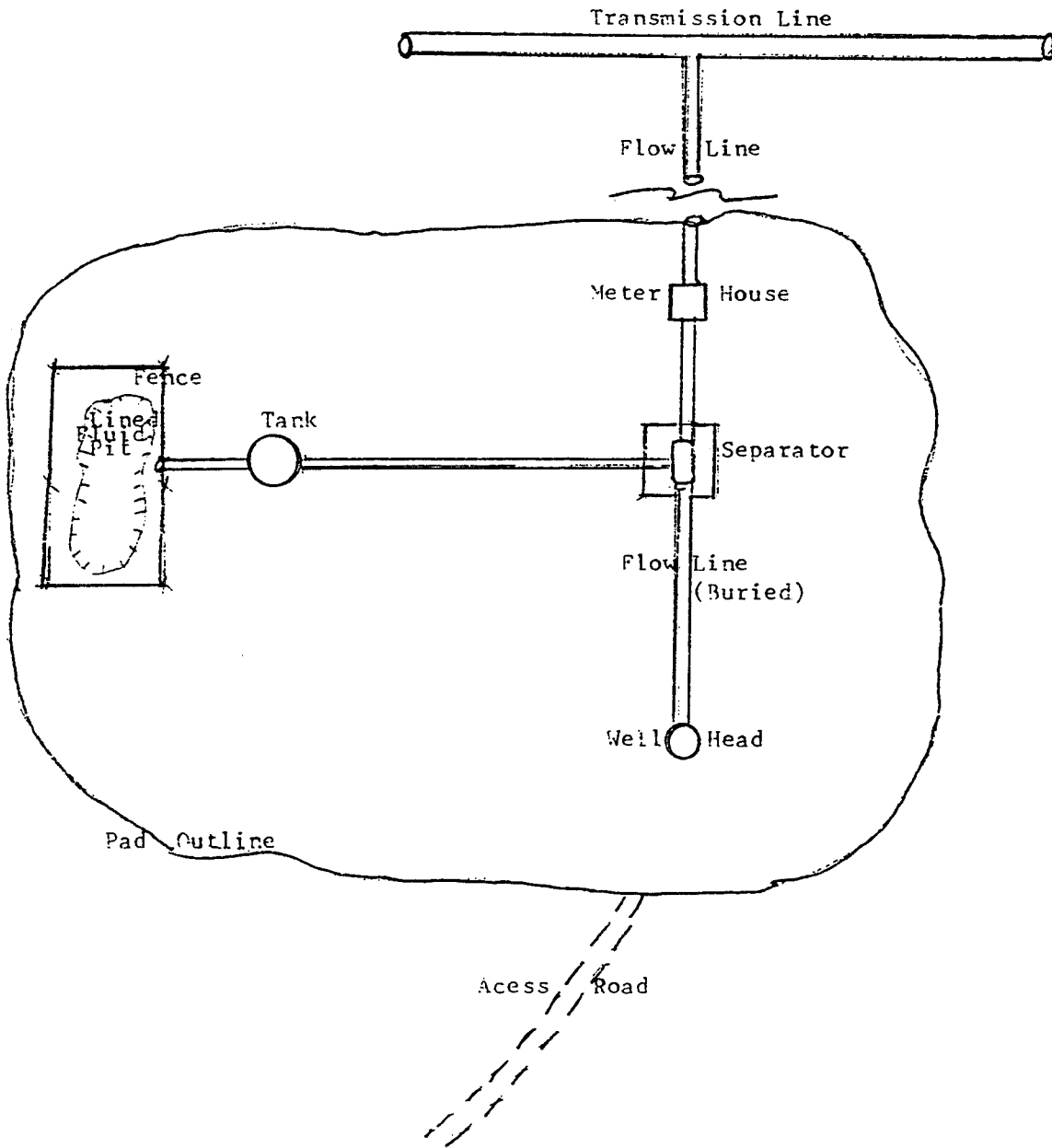
Paul Pullman
President
F-L Energy Company

F-L ENERGY COMPANY
Production Facilities
Oil



Approx. Scale: 1" = 50'

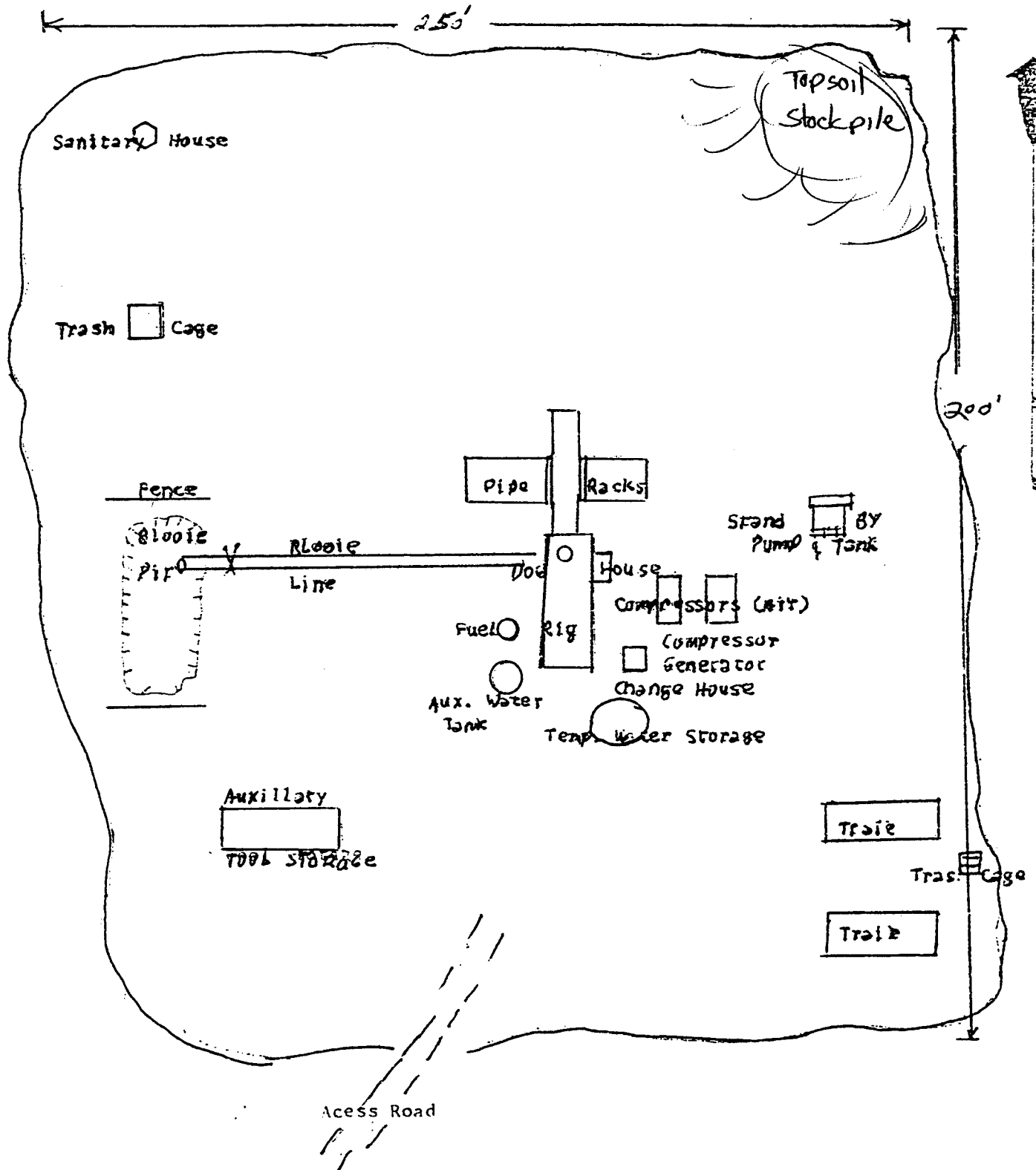
F-L ENERGY COMPANY
Production Facilities
Gas

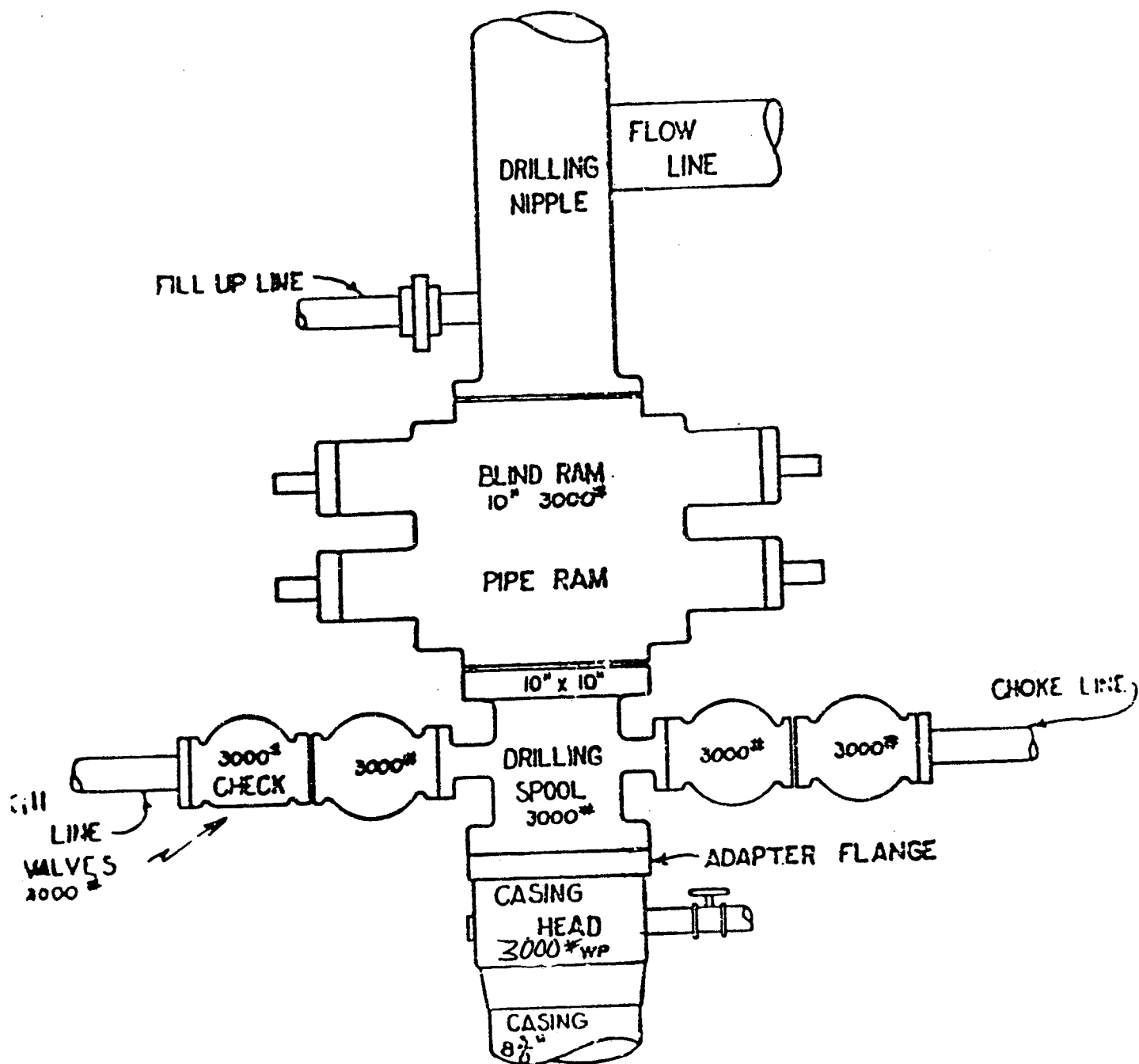


Approximate Scale: 1" = 50'

Schematic Diagram

Drilling Rig Layout





F-L Energy Corp.
BLOWOUT PREVENTER DIAGRAM

SELF-CERTIFICATION STATEMENT

Be advised that F. L. Energy Corp is considered to be the operator of Well No. Alker 1-22, (1/4)swsw Sec. 22, T. 15 S., R. 9 E., Lease UT471300 Carbon County, Utah, and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond Coverage for this well is provided by Bond No. UT 1013.

(Principal F. L. Energy Corp) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/12/98

API NO. ASSIGNED: 43-007-30466

WELL NAME: ALKER 1-22

OPERATOR: F L ENERGY (N2120)

CONTACT: Jim Hemingway 972-5570

PROPOSED LOCATION:

NWSW 22 - T15S - R09E

SURFACE: 1672-FSL-0770-FWL

BOTTOM: 1672-FSL-0770-FWL

CARBON COUNTY

UNDESIGNATED FIELD (002)

LEASE TYPE: FED

LEASE NUMBER: UTU-71390

SURFACE OWNER: Federal

INSPECT LOCATION BY: / /

TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

PROPOSED FORMATION: FRSD

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Federal ☒ State[] Fee[]
(No. UT 1013)
☒ Potash (Y/N)
☒ Oil Shale (Y/N) *190-5(B)
☒ Water Permit
(No. Price City)
☒ RDCC Review (Y/N)
(Date: _____)
N/A St/Fee Surf Agreement (Y/N)

LOCATION AND SITING:

___ R649-2-3. Unit _____

___ R649-3-2. General

☒ R649-3-3. Exception

___ Drilling Unit

Board Cause No: _____

Date: _____

COMMENTS:

* Need add'l info. "Except. Loc". (Rec'd 9-15-98)

APPROVE Exception Loc. IN LETTER

STIPULATIONS:

① FEDERAL APPROVAL



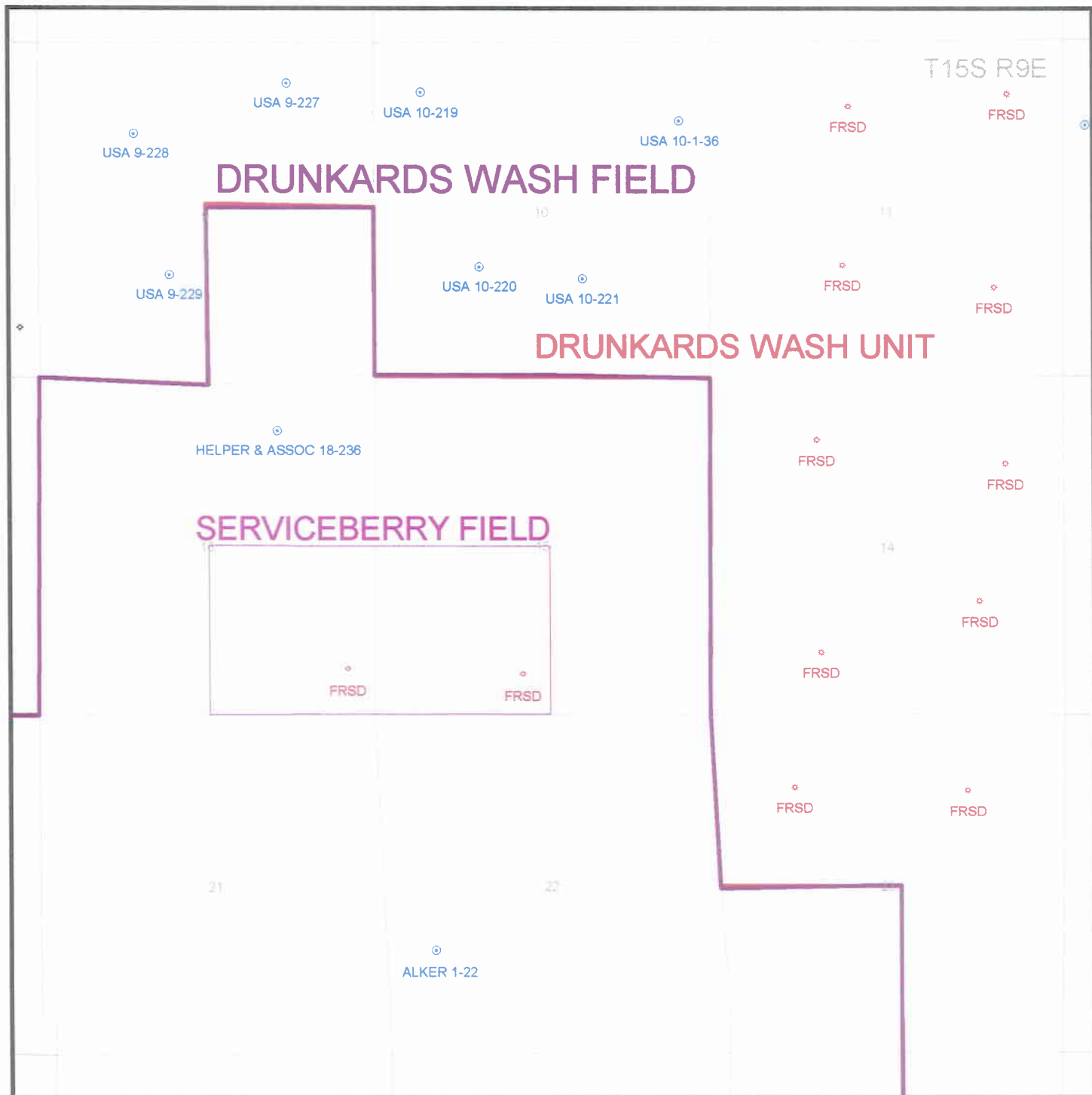
DIVISION OF OIL, GAS & MINING

OPERATOR: F.L. ENERGY (N2120)

FIELD: UNDESIGNATED (002)

SEC. 22, TWP 15S, RNG 9E

COUNTY: CARBON UAC: R649-3-2.2 ESTABLISHED UNIT
SPACING OFFSET



DATE PREPARED:
14-AUG-1998

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

FL Energy

3a. Address 2020 E 3300 S SUITE 26

SLC UT 84109

3b. Phone No. (include area code)

(801) 487-0744

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

770' FWL 235

1672' FSL 610 See 22 T 15S, R9E

5. Lease Serial No.

UTU 71390

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Alker 1-22

9. API Well No.

10. Field and Pool, or Exploratory Area

Ferron

11. County or Parish, State

Carbon

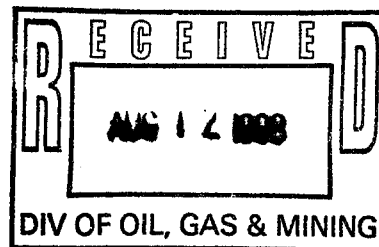
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<input checked="" type="checkbox"/> move location of well
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

moved well location to minimize disturbance
to the area, per BLM Request.

*Archaeological Site. (per operator)



508043.4
413 72 412.0

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

801 829 0670

Title

agent

Signature

Date

6-2-98

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

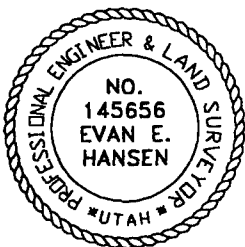
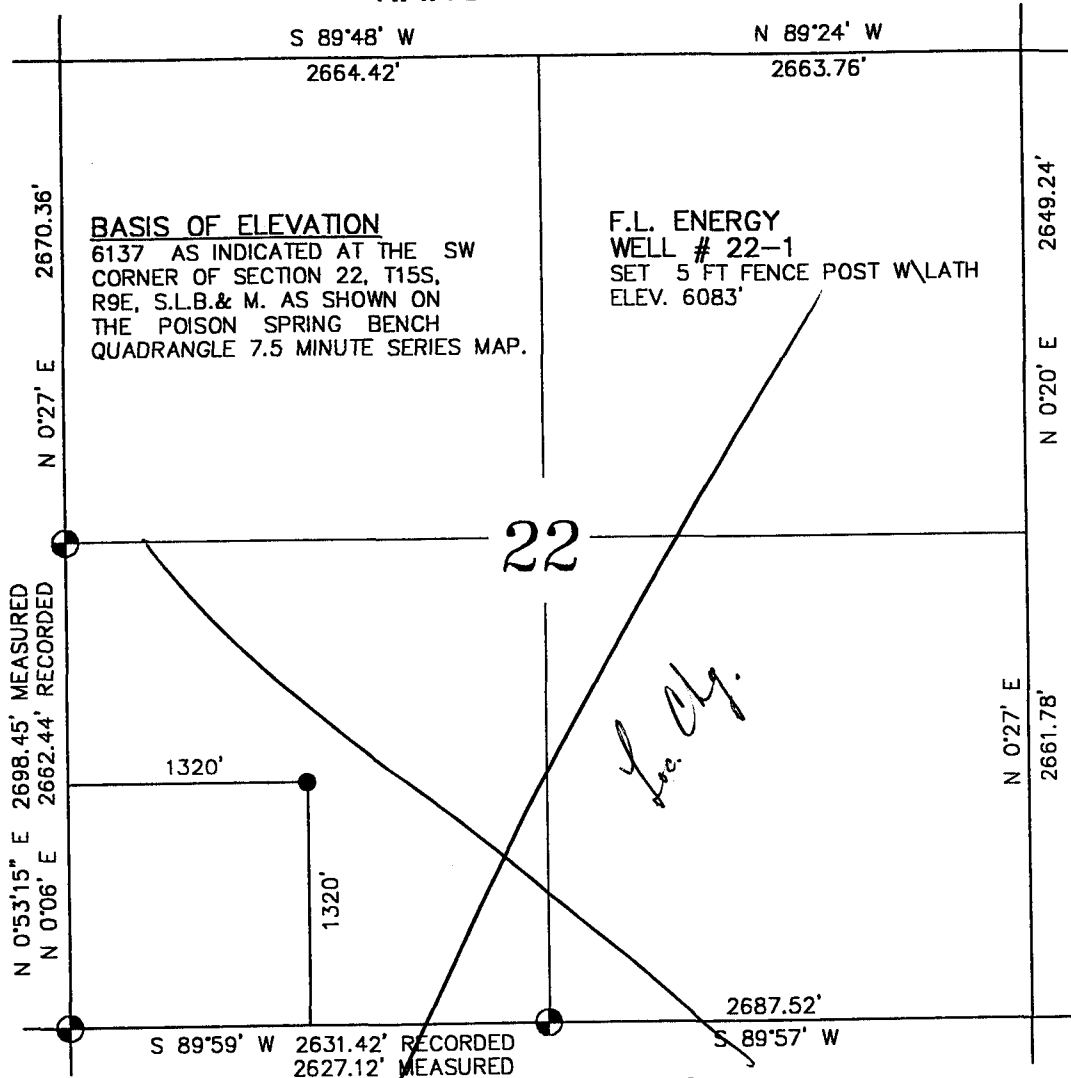
Office

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

RANGE 9 EAST

TOWNSHIP 15 SOUTH



ENGINEER'S CERTIFICATE

I, EVAN E. HANSEN, DO HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR AND PROFESSIONAL ENGINEER HOLDING CERTIFICATE NO. 145656 AS PRESCRIBED UNDER THE LAWS OF THE STATE OF UTAH. I FURTHER CERTIFY THAT I HAVE MADE A SURVEY OF THE TRACT OF GROUND SHOWN AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

Evan E. Hansen
EVAN E. HANSEN

APRIL 24, 1998
DATE

SW1/4 SEC. 22, T 15 S, R 9 E, S.L.B. & M.

Empire Engineering

1665 E. Sagewood Rd. Price, Utah 84501

H. ALKER
WELL # 22-1

Drawn By:
RH

Approved By:
EEH

Drawing No.

EEOG-97-32

Date:
9-03-97

Scale:
1"=1000'

SHEET 1 OF 2

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

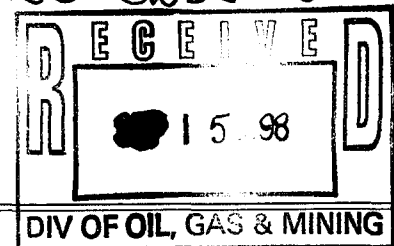
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Serial No. UTU. 71396
2. Name of Operator F.L. Energy	6. If Indian, Allottee or Tribe Name
3a. Address 2020 E 3300 S Suite 26	7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) (801) 487-0744	8. Well Name and No. Aker 1-22
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 770' FWL NW SW Sec 22 T15S R9E 1072' FSL	9. API Well No.
	10. Field and Pool, or Exploratory Area Ferron
	11. County or Parish, State Carbon

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

This well was moved at the request of the price BLM office
we request an Exception to the normal well spacing.
we have under Lease the entire section 22 except
the n/2 of the NE 1/4, map attached
The well location is NW SW, too close to
the south line of the NW SW,
Copy of BLM Lease attached



14. I hereby certify that the foregoing is true and correct (801) 829-0670

Name (Printed/Typed) Jim Hemingway	Title Agent
Signature Jim Hemingway	Date 9-13-98

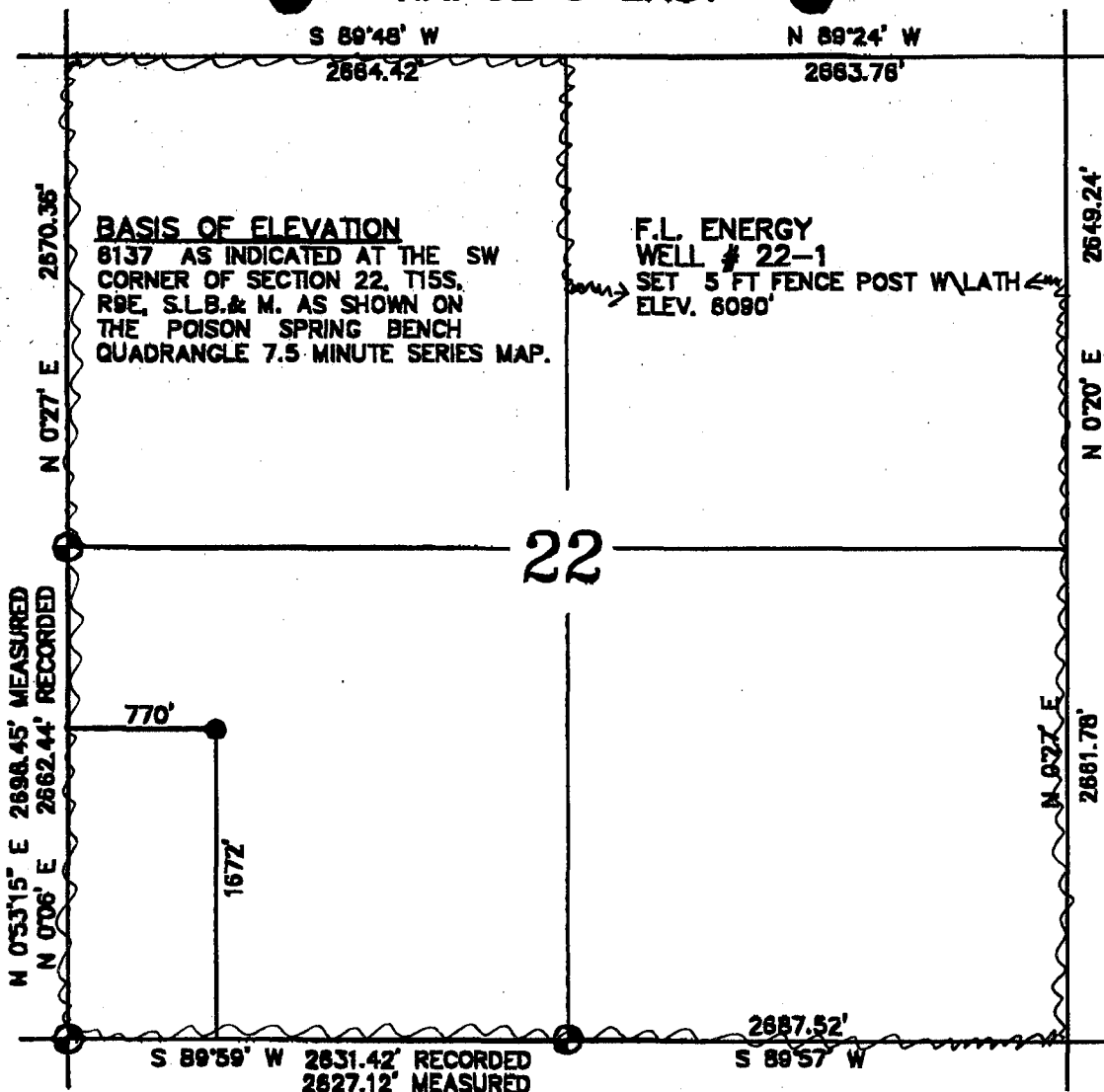
THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RANGE 9 EAST

TOWNSHIP 15 SOUTH



LEGEND

- ⊕ FOUND BRASS CAP
- SEARCHED FOR BUT NOT FOUND
- ◻ FOUND ROCK CORNER

BASIS OF BEARING

BASIS OF BEARING S 89°59'00" W MEASURED BETWEEN THE S1/4 CORNER AND THE SW CORNER OF SECTION 22, TOWNSHIP 15 SOUTH, RANGE 9 EAST, SALT LAKE BASE AND MERIDIAN.



ENGINEER'S CERTIFICATE

I, EVAN E. HANSEN, DO HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR AND PROFESSIONAL ENGINEER HOLDING CERTIFICATE NO. 145858 AS PRESCRIBED UNDER THE LAWS OF THE STATE OF UTAH. I FURTHER CERTIFY THAT I HAVE MADE A SURVEY OF THE TRACT OF GROUND SHOWN AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

SW1/4 SEC. 22, T 15 S, R 9 E, S.L.B. & M.

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WELL # 22-1Drawn By:
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Drawing No.

Date:
8-03-97Scale:
1"=1000'

EEOG-97-32

SHEET 1 OF 2

Evan E. Hansen
EVAN E. HANSEN

MAY 20, 1998

DATE
Revised Date 5-20-98



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

Michael O. Leavitt
Governor

Lowell P. Braxton
Division Director

September 15, 1998

F. L. Energy Corporation
2020 East 3300 South, Suite 26
Salt Lake City, Utah 84109

Re: Alker 1-22 Well, 1672' FSL, 770' FWL, NW SW, Sec. 22,
T. 15 S., R. 9 E., Carbon County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM by F. L. Energy Corporation and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-007-30466.

Sincerely,

John R. Baza
Associate Director

lwp

Enclosures

cc: Carbon County Assessor

Bureau of Land Management, Moab District Office

Operator: F. L. Energy Corporation
Well Name & Number: Alker 1-22
API Number: 43-007-30466
Lease: UTU-71390
Location: NW SW Sec. 22 T. 15 S. R. 9 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours prior to spudding the well. Contact Jim Thompson at (801) 538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Dan Jarvis at (801) 538-5338 or Robert Krueger at (801) 538-5274.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval which must be obtained prior to drilling.

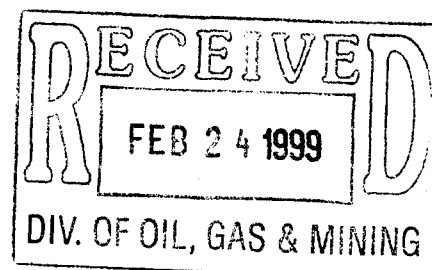


Fleet Energy, L.L.C.
2450 Fondren, Suite 310
Houston, Texas 77063
Tel: 713.785.5600
Fax: 713.785.5605

February 23, 1999

Mr. Brad Hill
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, UT 84114-5801

43-007-30466



Dear Mr. Hill:

Attached is an Application for Permit to Drill (APD) the SITLA #13-22 well in NE/4 SW/4 of section 22 of T15S-R9E in Carbon County, Utah. A Federal APD for this well was previously submitted and approved by your office on September 15, 1998 (copy attached), contingent on final approval by the BLM. This lease was subsequently included in lands covered by the Federal-State of Utah "land swap", and therefore the surface and minerals are now owned by SITLA. Because of the pending land swap, the BLM never actually approved the original APD. Therefore, Fleet Energy requests that the Division of Oil, Gas and Mining [REDACTED] APD and approve the attached State of Utah APD.

The well name for this APD has changed from the [REDACTED] to the "SITLA #13-22". Also, the lease number has changed from UTU-71390 to ML-48232.

Fleet Energy, L.L.C. hereby requests prompt approval of the attached APD. Please contact me at (713) 785-5600 ext. 104 if you have any questions regarding this APD.

Sincerely,

Mark Spears
V.P., Production and Operations

cc: D. K. Livingstone



Fleet Energy, L.L.C.
2450 Fondren, Suite 310
Houston, Texas 77063
Tel: 713.785.5600
Fax: 713.785.5605

February 23, 1999

Mr. Brad Hill
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, UT 84114-5801

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The well name for this APD has changed from the "Alker #1-22" to the "SITLA #13-22". Also, the lease number has changed from UTU-71390 to ML-48232.

Fleet Energy, L.L.C. hereby requests prompt approval of the attached APD. Please contact me at (713) 785-5600 ext. 104 if you have any questions regarding this APD.

Sincerely,

Mark Spears
V.P., Production and Operations

cc: D. K. Livingstone

08/28/98 USDI * BUREAU OF LAND MANAGEMENT * UTAHSTATE OFFICE PG 01

SERIAL REGISTER PAGE

GEO STATE: UTAH

SERIAL NO: UTU 71390

CASE TYPE: 312021 O&G LSE COMP PD-1987

LEGAL REF: O&G LSE COMP PD-1987 12-22-1987;10 COMMODITY: OIL & GAS

NAME	ADDRESS	% INTRST INTEREST
ALKER HENRY A	P O BOX 194001 SAN FRANCISCO, CA 94119	100.00000 LESSEE
ALKER HENRY A	P O BOX 194001 SAN FRANCISCO, CA 94119	00.00000 OPERATING RIGHTS
DOMINION RESERVES UT	RIVERFRONT PLAZA W RICHMOND, VA 23219	00.00000 OPERATING RIGHTS
RIVER GAS CORP	511 ENERGY CTR BLVD NORTHPORT, AL 35476	00.00000 OPERATING RIGHTS
TEXACO EXPL & PROD	BOX 2100 DENVER, CO 80201	00.00000 OPERATING RIGHTS

M_	TOWN	RANGE	SEC	SUBDIVISION	SURFACE MGMT AGENCY
26	15-0S	9-0E	23	S2NE, SENW	
			#06	E2SW	
			#06	LOT 6, 7	
			#20	SESE	
			#22	S2NE, W2, SE	
			#23	NESW, S2SW, SE	

***** TOTAL ACRES: 120.000 *****

= LANDS RELINQUISHED, WITHDRAWN, REJECTED, SEGREGATED/ASSIGNED OUT

ACTN DATE	CODE	ACTION	ACTION REMARKS	PEND ACT
02/28/1993	387	CASE ESTABLISHED	#061;	
03/01/1993	267	BID RECEIVED	\$2316;	
03/10/1993	237	LEASE ISSUED		
03/16/1993	600	RECORDS NOTED		
04/01/1993	530	ROYALTY RATE-12 1/2%		
04/01/1993	868	EFFECTIVE DATE		
04/01/1994	111	RENTAL RECEIVED	\$10.00;23/1188	
04/01/1994	111	RENTAL RECEIVED	\$1737.00;21/1188	
08/25/1994	974	AUTOMATED RECORD VERIF	IA	

* CONTINUED *

* CONTINUED *

08/28/98 USDI * BUREAU OF LAND MANAGEMENT * UTAH STATE OFFICE PG 02

SERIAL REGISTER PAGE

GEO STATE: UTAH

SERIAL NO: UTU 71390

* CONTINUED *

* CONTINUED *

ACTN DATE	CODE	ACTION	ACTION REMARKS	PEND ACT
03/31/1995	111	RENTAL RECEIVED	\$1727.00;21/0000000000	
03/31/1995	111	RENTAL RECEIVED	\$10.00;23/0000000002	
05/02/1995	932	TRF OPER RGTS FILED	01	
05/19/1995	933	TRF OPER RGTS APPROVED	EFF 06/01/95;	
08/29/1995	932	TRF OPER RGTS FILED		
08/30/1995	933	TRF OPER RGTS APPROVED	EFF 09/01/95;	
09/01/1995	232	LEASE COMMITTED TO UNIT	UTU67921X;	
09/01/1995	235	EXTENDED		
09/01/1995	659	LOCATED IN PROD UNIT	UTU67921X;	
09/01/1995	700	LEASE SEGREGATED	UTU75020;	
01/26/1996	102	NOTICE SENT-PROD STATUS		
02/02/1996	084	RENTAL RECEIVED BY MMS	\$120.00;23/0000000110	
02/16/1996	084	RENTAL RECEIVED BY MMS	\$50.00;21/0000000111	
02/16/1996	600	RECORDS NOTED		
02/26/1996	084	RENTAL RECEIVED BY MMS	\$10.00;23/0000000111	
10/23/1996	932	TRF OPER RGTS FILED		
10/29/1996	933	TRF OPER RGTS APPROVED	EFF 11/01/96;	
12/01/1996	660	MEMO OF 1ST PROD-ALLOC	UTU67921A;	

STATE	ENTITY	ACRES
	MOAB DISTRICT USDI-BLM-UTAH	120.000
	PRICE RIVER RA	120.000
UTAH	CARBON COUNTY UTAH	120.000

CASE DISPOSITION: 04/01/1993 AUTHORIZED